

## CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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COUNTRY Korea

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- On 20 June 1953 the price of gold in North Korea was 9,000 North Korean won per momme.<sup>1</sup> One momme of gold was worth 7,500 won on 15 May 1953. The prices of jewels, grains, medicines, and textiles had also shown a tendency to increase since 15 May 1953, but a low-price policy by the North Korean government, and the low purchasing power of the North Korean citizens prevented the increase in price. On 15 May 1953, the North Korean government started selling rice at a rate which was 100 North Korean won lower than the market price which was 1,200 won per small mal.<sup>1</sup>
- On 10 May 1953 in accordance with a North Korean Cabinet decision, all government-controlled stores began selling commodities at 30 percent below the fixed price of 10 April 1953. This was done to speed up production in government factories; to suppress the sale of smuggled goods and goods produced by private industries; and to eliminate the blackmarket dealers. In May 1953 the production requirement for government factories was increased by 50 percent to meet the new demand. The following comparison of commodity prices indicated the changes in prices since the low-price policy went into effect; all prices were in North Korean won:

| Commodity              | 10 April 1953    |              | 30 June 1953     |              |
|------------------------|------------------|--------------|------------------|--------------|
|                        | Low-Policy Price | Market Price | Low-Policy Price | Market Price |
| Rice, 1' mal           | 1,500 won        | 1,600 won    | 950 won          | 1,100 won    |
| Rubber shoes, pair     | 1,800            | 2,200        | 1,200            | 2,000        |
| Laundry soap           | 100              | 150          | 70               | 120          |
| Sheeting tissue, 1 yd. | 320              | 350          | 260              | 300          |
| Pencil                 | 100              | 100          | 70               | 80           |

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- <sup>1</sup> Comment. One momme is equivalent to 3.75 grams, and one small mal is equivalent to approximately 9 liters.

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